

BEFORE THE  
ILLINOIS COMMERCE COMMISSION

**TDS METROCOM, INC.**

Application for a certificate of local and  
interexchange authority to operate as a reseller and  
facilities based carrier of telecommunications  
services statewide in the State of Illinois

Docket No.

**OFFICIAL FILE**  
I.C.C. DOCKET NO. 00-0239  
Exhibit No. 1  
Witness Appl  
Date 5/4/00 Reported DK

TESTIMONY ON BEHALF OF TDS METROCOM

- Q. Please provide the name, address, telephone, and fax number of the person at your company that will be responsible for working with the Commission's Consumer Services Division for complaint resolution?
- A. **Kristine Haas**  
**Manager-Customer Care**  
**1212 Deming Way, Suite 350**  
**Madison, WI 53717**  
**Phone 608-663-2175**  
**Fax 608-663-3340**
- Q. Is your company seeking any waivers or variances of certain Commission rules and regulations in this proceeding that pertain to local exchange service? Please provide evidence as to why your company is seeking any waiver or variance.
- A. **Yes. TDS Metrocom, Inc. ("TDS Metrocom") requests a waiver of 83 Ill. Adm. Code Part 710 to permit it to continue to use its current accounting system. As detailed below in response to the financial questions, TDS Metrocom currently utilizes a system of accounts in conformity with Generally Accepted Accounting Principles ("GAAP"), consistent with the principles embodied in the provisions of the Uniform System of Accounts ("USOA"). Additionally, as set forth below, TDS Metrocom seeks a waiver from 83 Ill. Adm. Code Part 735. To allow it to compete effectively in Illinois, it also may be necessary**

**for TDS Metrocom to request additional waivers and variances in the future. Accordingly, TDS Metrocom reserves the right to seek additional waivers and variances.**

- Q. Will your company comply with 83 Illinois Administrative Code Part 772, Pay-Per-Call Services, including Part 772.55(a)(1), Billing and Part 772.100(d) Notices?**
- A. Yes. TDS Metrocom will comply with 83 Ill. Adm. Code Part 772 if it provides these services. Currently, TDS Metrocom does not provide these services to customers and does not bill for these services on behalf of other entities.**
- Q. Will your company comply with 83 Illinois Administrative Code Part 705, Preservation of Records of Telephone Utilities?**
- A. Yes.**
- Q. Will your company abide by 83 Illinois Administrative Code Part 735, "Procedures Governing the Establishment of Credit, Billing, Deposits, Termination of Service and Issuance of Telephone Directories for Telephone Utilities in the State of Illinois"?**
- A. TDS Metrocom seeks a waiver from Part 735. TDS Metrocom uses an outside vendor and internal billing experts to bill for its services. TDS Metrocom's billing practices will conform to the Commission's rules and Illinois law where applicable. Moreover, TDS Metrocom will contract with the RBOC to publish and distribute directories to its customers as described in Part 735.180.**
- Q. Who will provide customer repair service for your company?**
- A. TDS Metrocom's Network Operations staff, including the Field Service Coordinators and outside technicians, will provide repair service.**
- Q. How many people does the company employ?**
- A. TDS Metrocom employs 160 people as of the date of application.**

- Q. Will your company meet the requirements as they pertain to the Telephone Assistance Programs imposed by Sections 13.301 and 13.301.1 of the Illinois Public Utilities Act and 83 Illinois Administrative Code Part 757?
- A. Yes.
- Q. Will your company solicit, collect, and remit the voluntary contributions from its telephone subscribers to support the Telephone Assistance Programs?
- A. Yes.
- Q. Does your company plan on filing to become an Eligible Telecommunications Carrier?
- A. Yes.
- Q. Does the company realize that it will not be able to receive any of the federal reimbursements for the Lifeline and Link Up Programs if it is not an eligible carrier?
- A. Yes.
- Q. Will your company offer all of the waivers associated with the Universal Telephone Service Assistance Programs (UTSAP)?
- A. Yes
- Q. Will your company abide by the regulations as prescribed in 83 Illinois Administrative Code Part 755, "Telecommunications Access for Persons with Disabilities," 83 Illinois Administrative Code Part 756 "Telecommunications Relay Service," and Sections 13-703 of the Illinois Public Utilities Act?
- A. Yes.
- Q. Will the company's billing system be able to distinguish between resale and facilities based service for the collection of the ITAC line charge?
- A. Yes. TDS Metrocom's billing system distinguishes between resale and facilities based customers.

- Q. Has your company signed and return the Universal Telephone Assistance Corporation ("UTAC") and the Illinois Telecommunications Access Corporation ("ITAC") to Commission staff?
- A. No. TDS Metrocom was informed by Commission staff that these documents would not be sent to it until certification was approved. TDS Metrocom will sign and return these documents upon receipt.
- Q. Please describe your company's internal process for complaint resolution, the escalation process within your company, and when a customer is notified that they may contact the Illinois Commerce Commission for assistance.
- A. Customer complaints are addressed by Customer Care Advisors at the first level. Escalation will take the complaint to Supervisory level, a Manager level and, finally, a Director level. The customer is advised upon making a complaint that they can, at any time, contact the Commission for assistance.
- Q. Will the company file tariffs for all services and charges associated with providing local telephone service.
- A. TDS Metrocom will file any required tariffs.
- Q. How does your company plan to solicit customers once it begins to provide local service.
- A. TDS Metrocom will have a sales force that will make direct contact with customers. Billboards, radio, television, press releases, newspapers, and direct mailings will also be used.
- Q. Will your company abide by federal and state slamming laws?
- A. Yes.
- Q. Has your company written guidelines to prevent the unauthorized slamming of local exchange customers?
- A. Yes. TDS Metrocom offers a "Slamming" Protection Guarantee that promises the customer that a change will not be made to their account without their written consent.

Q. Has your company provided service under any other name?

A. No.

Q. Have any complaints or judgements been levied against the company?  
(Instate, out-of-state, or FCC).

A. No.

### **E-911 SERVICE**

Q. Please provide the name, address, telephone and fax number of the 911 contact person for your company.

A. **Cliff Lawson**  
**1212 Deming Way, Suite 350**  
**Madison, WI 53717**  
**Phone 608-663-3100**  
**Fax 608-663-3340**

Q. Will your company ensure that 911 traffic is handled in accordance with the 83 Illinois Administrative Code Part 725 and the Emergency Telephone System Act?

A. Yes.

Q. Will your company contact and establish a working relationship with the 911 systems when you begin to provide local telephone service?

A. Yes.

Q. Will your company coordinate with the incumbent LEC(s) and local 911 systems to provide transparent service for your local exchange customers?

A. Yes.

Q. Who will be responsible for building and maintaining the 911 database for your local exchange customers?

A. **For initial load:**  
**Shane T. Kaatz – Manager Carrier Relations**  
**Phone 608-663-3149**  
**Fax 608-663-3340**

**For Maintenance:**

**Customer Care and Nichole Schneeberger – Billing Administrator**  
**Phone 608-663-3095**  
**Fax 608-663-3340**

- Q. How often will your company update the 911 database with customer information?
- A. **Daily via electronic batch files to the database administrator**
- Q. Will your company's billing system have the ability to distinguish between facilities based and resale for the collection of the 911 surcharge?
- A. **Yes. TDS Metrocom's billing system can distinguish between resale and facilities based customers.**
- Q. Does your company have procedures for the transitioning of the 911 surcharge collection and disbursement to the local 911 system?
- A. **Yes.**
- Q. Will your company's proposal require any network changes to any of the 911 systems?
- A. **No.**
- Q. Will your company be able to meet the requirements specified under Part 725.500(o) and 725.620(b) for the installation of call boxes?
- A. **Yes.**
- Q. Does your company plan to file for a waiver of Part 725.500(o) and 725.620(b) in the future?
- A. **Not at this time. However, TDS Metrocom reserves the right to seek such a waiver if necessary.**

**FINANCIAL QUESTIONS**

- Q. (Answer if requesting waiver of Part 710) What circumstances warrant a departure from the prescribed Uniform System of Accounts ("USOA")?

- A. **TDS Metrocom requests a waiver of Part 710 because it believes the Commission will be able to access and monitor TDS Metrocom's financial condition through its current accounting system. TDS Metrocom's current accounting system is maintained in accordance with Generally Accepted Accounting Principles ("GAAP"). TDS Metrocom's use of GAAP results in an accounting system that accurately reflects its financial condition. It would be unduly burdensome if TDS Metrocom, for the purpose of its application, was required to report financials using USOA.**
- Q. **Will records be maintained in accordance with Generally Accepted Accounting Principles ("GAAP")?**
- A. **Yes. TDS Metrocom utilizes a system of accounts in conformity with GAAP, consistent with the principles embodied in the provisions of USOA. TDS Metrocom's financial statements are audited on a yearly basis by an independent accounting firm. TDS Metrocom currently uses GAAP principles in all of its other accounts. Thus, requiring TDS Metrocom to adopt a different system for Illinois would cause it undue hardship. If allowed to use this alternative procedure, TDS Metrocom will be able to maintain uniformity among its own accounts. Moreover, allowing TDS Metrocom to use GAAP accounting principles will allow the Commission to compare financial accounts of other telecommunications companies using GAAP.**
- Q. **Will applicants accounting system provide an equivalent portrayal of operating results and financial condition as the USOA?**
- A. **Yes. See response to question above.**
- Q. **Will applicants accounting procedures maintain or improve uniformity in substantive results as among similar telecommunications companies?**
- A. **Yes. See response to question above.**
- Q. **Will applicant maintain its records in sufficient detail to facilitate the calculation of all applicable taxes?**
- A. **Yes. TDS Metrocom's internal tax manager currently is working with outside tax advisors and others to access the appropriate level of detail in its records that will allow it to most effectively facilitate the calculation of all applicable taxes.**

- Q. Does the accounting system currently in used by applicant provide sufficiently detailed data for the preparation of Illinois Gross Receipts Tax returns? What specific accounts or sub-accounts provide this data?
- A. Yes. TDS Metrocom's internal tax manager is working with outside tax advisors and others to ensure compliance with industry tax regulations. TDS Metrocom currently is developing these accounts and sub-accounts. As currently envisioned, separate accounts will be established to track all income and expense on a state-specific basis.
- Q. If a waiver of Part 710 is granted, will applicant provide annual audited statements for all periods subsequent to granting of the waiver?
- A. Yes.
- Q. Does applicant agree that the requested waiver of Part 710 will not excuse it from compliance with future Commission rules or amendments to Part 710 otherwise applicable to the Company?
- A. Yes.

#### **PREPAID SERVICE**

**TDS Metrocom does not intend to provide prepaid service at this time.**

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